The line will undoubtedly remain in service after closure of the C.V. Spur.

The railroad loop within the C.V. Spur is owned by Beaver Creek Coal Company. It consists of a single sit of tracks slightly elevated (3') above natural ground. This rail serves as a loop for the unit trains to travel head-first into the silo, eliminating the need for engine switching. The loop is 8,340 feet long. This rail line will be used and maintained throughout the C.V. Spur operational life.

Grades and typical cross-section of the rail loop are shown on Plate 3-5, "Railroad Facilities".

3.2.5.3 Conveyors

There are nineteen (19) separate, permanent conveyor runs at the C.V. Spur (see Figure 3-7). In addition, there are temporary, portable conveyors used on the site. The number and location of the temporary conveyors varies according to need.

Conveyor #1 - 36" x 250' long stacking conveyor from the truck dump to the raw coal stacking tube.

Conveyor #1a - 36" x 250' long stacking tube conveyor from the above raw coal stacking tube to a new steel stacking tube. (Appendix 3-8 BC-01)

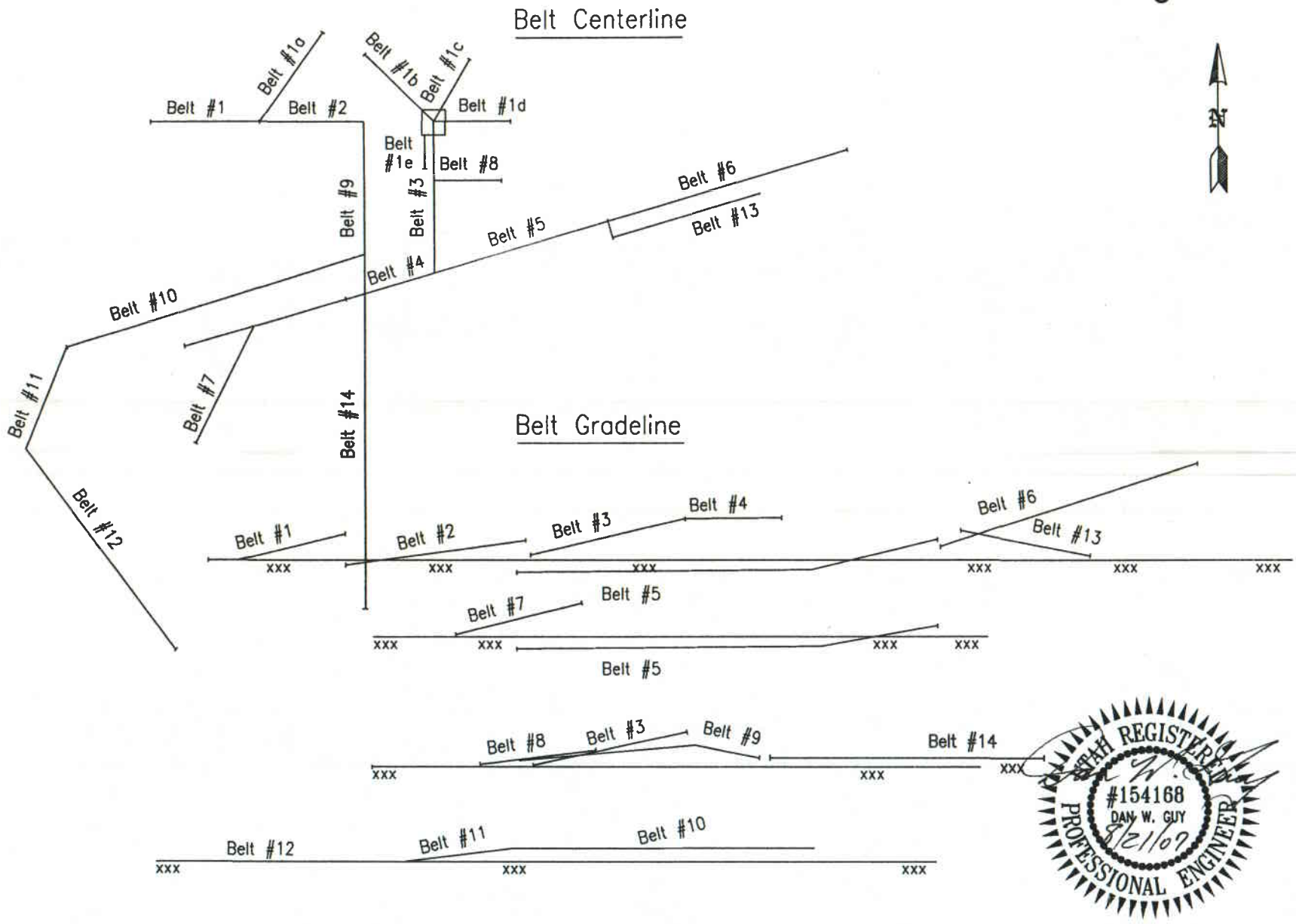
Conveyor #1b - 36" x 233' conveyor from new stacking tube area to wash plant. (Appendix 3-8 BC-02)

Conveyor #1c - 36" x 130' stacking conveyor from wash plant to clean coal pile on north side. (Appendix 3-8 BC-05)

Conveyor #1d - 36" x 200' conveyor for -1/4" coal from wash plant to raw coal pile to west. (Appendix 3-8 BC-03)

Conveyor #1e - 36" x 101' conveyor to carry refuse from the wash plant to the refuse bin. (Appendix 3-8 BC-04)

Figure 3-7



Savage Coal Terminal

Centerline and Grade of Belts

C.V. Spur 1"=300' August 2007

Conveyor #2 - 36' x 300' reclaim conveyor from raw coal pile to conveyor #9.

Conveyor(s)#3-(2) 36" x 365' clean fine and coarse coal conveyors from the plant to the clean coal stacking tube.

Conveyor #4 - 36" x 225' clean fine coal transfer conveyor from coarse coal stacking tube to fine coal stacking tube.

Conveyor #5 - 48" x 600' clean coal reclaim conveyor from clean coal piles to transfer in loadout sample building.

Conveyor #6 - 48" x 660' loading conveyor from transfer point in sample building to 10,000 ton silo.

Conveyor #7 - This conveyor is 36" x approximately 350' and runs from the new truck dump to a crushed coal stacking tube.

Conveyor #8 - 42" x 150' conveyor from the new truck dump to the twin 36" conveyors described in #3 above.

Conveyor #9 - 48" x 440' conveyor from the plant feed belt to the clean coal stacking tube area.

Conveyor #10 - 48" x 728' elevated conveyor from truck loop storage area to conveyor #9.

Conveyor #11 - 48" x 246' feed conveyor from the truck loop storage area to conveyor #10.

Conveyor #12 - 48" x 564' surface transfer system to move coal from the track loop storage area to conveyors #10 and #11.

Conveyor #13 - 48" x 375' feed conveyor from storage area to silo feed conveyor #6.

Conveyor #14 - 48" x 650' feed conveyor from south storage area to clean coal stacking tube area. Dumps into same hopper as conveyor #9.

Grade of all conveyors are shown on Figure 3-7, "Conveyors - Loadout & Grades". All surface conveyors are covered and equipped with walkways. All conveyors will be used throughout the C.V. Spur operational life.

3.2.5.4 Maintenance

Transportation facilities are maintained and will be restored to prevent damage to fish, wildlife and related environmental values, as well as additional contributions of suspended solids to streamflow or runoff outside the permit area. In addition, they are maintained in a manner to control and minimize degradation of water quality and quantity, control and minimize erosion ad siltation as well as pollution. This is accomplished in the following ways:

(1) All conveyors are covered to minimize fugitive dust;

(2) The use of stacking tubes for coal pile minimizes fugitive dust from free-falling coal;

(3) Coal is drawn into the plant and silo conveyors by underground feeders, equipped with water sprays to minimize dust;

(4) The unit train loadout is within the enclosed area, and water sprays are available if necessary to reduce dust;

(5) Roads are watered as necessary to minimize dust:

(6) Drainage controls are maintained to prevent contaminated water from the disturbed area from leaving the permit area.

3.2.6 Water Management Facilities

3.2.6.1 Process-Water System

The process water system for the preparation plant is designed so that under normal operating conditions no waste water is discharged and makeup water is added only to replace absorption losses of water into the coal and refuse. A six-inch pipeline from a pumping station at the Price River is the primary water supply. This pipeline, as well as the secondary makeup water source (the sedimentation ponds described in section 3.2.6.3) feeds a collection sump (housed on the northeast corner of the site, see Plate 3-1) from which water is then drawn on demand into the prep plant. At the present time, water is used for dust control, processing, wash down and road watering. No washing of coal is presently being performed in the plant.

3.2.6.1 Process-Water System (continued)

As previously stated, the preparation plant is designed to operate as a non-discharging facility. In the event that a mechanical failure or some other unforeseen circumstance would cause an overflow of water while the drainwater storage sump within the plant was completely full, provisions have been made to directly convey the water to series of sediment ponds. The UPDES permit for C.V. Spur has established discharge pont No. 002 as the preparation plant in the event an emergency discharge is required.

3.2.5.2 Sewage Systems

There are two (2) wastewater disposal facilities at C.V. Spur (see Plate 3-2). Both sites are of the septic tank-drainfield type and each is approved by the Utah Health Department.

APPENDIX 3-10

Tube Recovery Conveyor

Appendix 3-10
Tube Recovery Conveyor

1. Introduction:

This appendix will provide design details and reclamation cost estimate for the proposed new enclosed (tube) recovery conveyor from the south stockpiles.

This conveyor is a replacement of portable conveyors previously used at this location.

2. Specifications:

This is a 48" wide x 650' long conveyor system. The conveyor and walkway will be enclosed in a 10' diameter steel tube to allow for coal to be placed over the conveyor sections as needed. This conveyor will feed coal from the storage area south of the stacking tubes to the clean coal stacking tube area.

The tail piece and drive will be mounted on 2 - 12' x 12' x 2.5' concrete pads. The conveyor will consist of pre-assembled sections with legs supported on concrete pads on the sections. There will be 15 - 8' x 12' x 2' concrete pads for the conveyor sections. Pad details are shown on the attached drawing A 3-10-1.

3. Reclamation Cost Estimate:

A. Introduction :

Reclamation cost estimate for the proposed new conveyor is based on those used in Appendix 3-5 - "Reclamation Cost Estimate" updated in August 2006. Demolition and Labor costs are based on the latest figures provided by the Division. No additional costs are estimated for earthwork or revegetation for this area, since these costs are included with the overall reclamation estimate in Appendix 3-5.

B. Procedure :

The only additional reclamation cost included on this area will be the removal of the conveyor and demolition/disposal of the concrete. The proposed reclamation will include removal and transport of steel structures. Concrete will be broken up and placed in the Sediment Pond No. 5 during final reclamation.

C. Calculations :

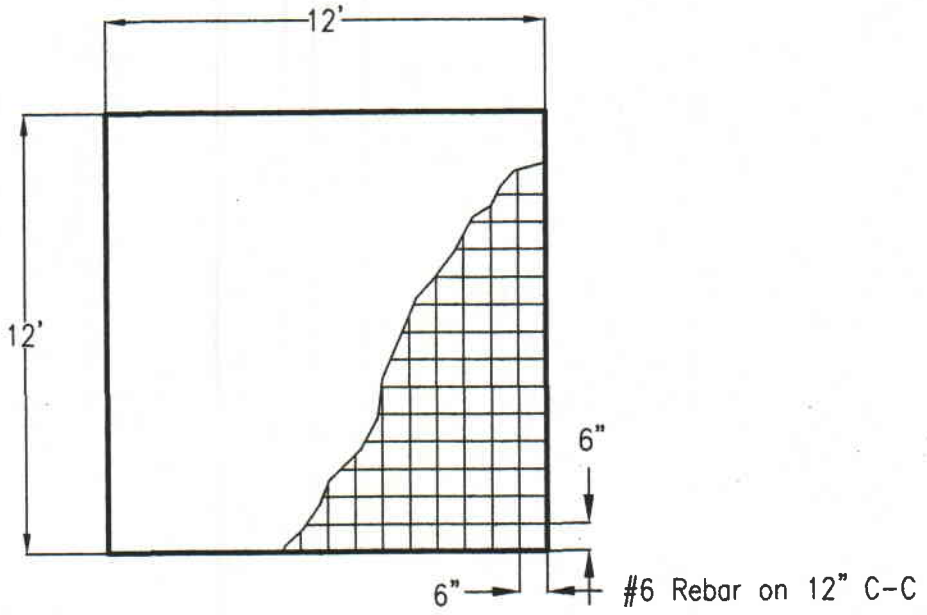
Structure	Item	Size	Disposal	Cost/Unit	Cost
Tube Recovery Conveyor	Steel Concrete	650'x10' dia 133.33 CY	Haul On-site	$ 0.25/CF $ 21.05/CY	$ 12,762.72 $ 2,806.67
Demolition	Foreman	24 hours	On-site	$ 55.45/MN	$ 1,330.80
				Total:	$ 16,900.19

D. Summary :

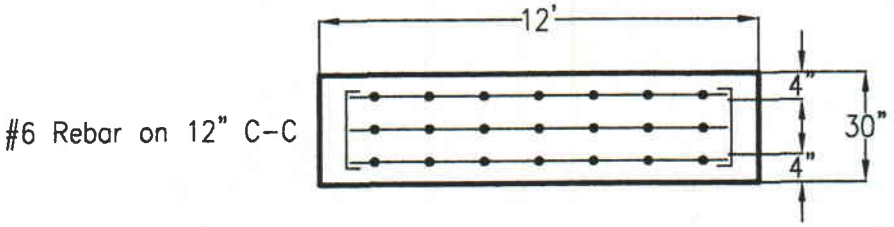
The total projected reclamation cost for the proposed tube recovery conveyor is $16,900.19. The Savage Coal Terminal is presently bonded for a total of $2,525,000 in 2007 dollars. The required bond for reclamation is $2,412,000. This proposed addition, along with the recently approved new feed conveyor (Appendix 3-9), would raise the required bond amount to $2,431,987, which is still $93,013 less than the bond posted for the site.

TYPICAL CONCRETE PAD FOR HEAD AND TAIL PIECE

DRAWING A-3-10-1



PLAN VIEW



SECTION VIEW

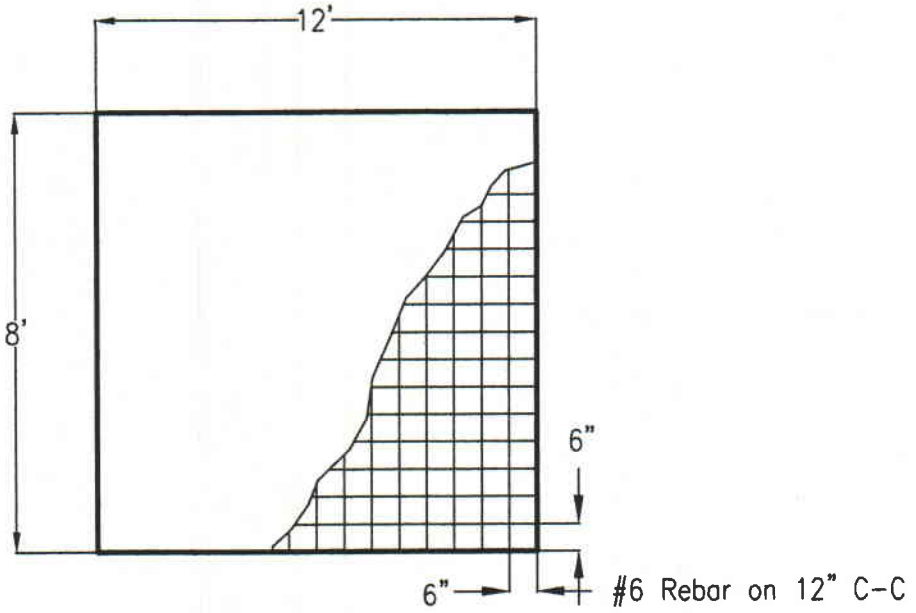
UTAH REGISTERED #154168 DAN W. GUY 8/21/07 PROFESSIONAL ENGINEER

NOTE:

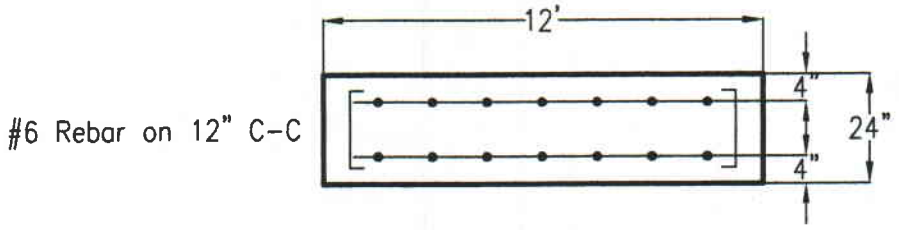
Conveyor Installation will have 2 of the above sized pads.

TYPICAL CONCRETE PAD FOR CONVEYOR

DRAWING A-3-10-2



PLAN VIEW



SECTION VIEW

NOTE:

Conveyor Installation will have 15 of the above sized pads.